

## NOTICES OF SUBSTANTIVE POLICY STATEMENTS

The Administrative Procedure Act requires the publication of substantive policy statements issued by agencies (A.R.S. § 41-1013(B)(14)). Substantive policy statements are written expressions which inform the general public of an agency's current approach to rule or regulation practice. Substantive policy statements are advisory only. A substantive policy statement does not include internal procedural documents that only affect the internal procedures of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules made in accordance with the Arizona Administrative Procedure Act. If you believe that a substantive policy statement does impose additional requirements or penalties on regulated parties you may petition the agency under A.R.S. § 41-1033 for a review of the statement.

### NOTICE OF SUBSTANTIVE POLICY STATEMENT

#### DEPARTMENT OF REVENUE

[M08-149]

**1. Subject of the substantive policy statement and the substantive policy statement number by which the policy statement is referenced:**

Does the department grant automatic filing extensions and what effect does a filing extension have on the statute of limitations, ITR 07-2

**2. Date the substantive policy statement was issued and the effective date of the policy statement if different from the issuance date:**

December 7, 2007

**3. Summary of the contents of the substantive policy statement:**

This statement discusses the requirements for granting an automatic filing extension and the effect of a filing extension on the statute of limitations. The automatic extension period has been increased from four to six months.

**4. A statement as to whether the substantive policy statement is a new statement or a revision:**

This statement rescinds and supersedes Arizona Individual Income Tax Ruling ITR 01-2.

**5. The name and address of the person to whom questions and comments about the substantive policy statement may be directed:**

Name: Department of Revenue  
Tax Research & Analysis Section

Address: 1600 W. Monroe St.  
Phoenix, AZ 85007-2650

Telephone: (602) 716-6803

**6. Information about where a person may obtain a copy of the substantive policy statement and the costs for obtaining the policy statement:**

Anyone wishing to obtain a copy of this document should call (602) 255-3381, or write to:

Taxpayer Information and Assistance  
Department of Revenue  
1600 W. Monroe St.  
Phoenix, AZ 85007-2650

This information is also available by visiting our web site at <http://www.azdor.gov>.

### NOTICE OF SUBSTANTIVE POLICY STATEMENT

#### DEPARTMENT OF REVENUE

[M08-150]

**1. Subject of the substantive policy statement and the substantive policy statement number by which the policy statement is referenced:**

How is the income from the portion of an Electing Small Business Trust (ESBT) that consists of stock in one or more S corporations taxed for Arizona purposes, FTR 07-1

**2. Date the substantive policy statement was issued and the effective date of the policy statement if different from the issuance date:**

Issued December 7, 2007. Effective for taxable years beginning from and after December 31, 2007.

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**Notices of Substantive Policy Statements**

**3. Summary of the contents of the substantive policy statement:**

An Electing Small Business Trust (ESBT) must include federal taxable income from both the S portion holding its S corporation stock and the non-S portion holding its other assets in its computation of Arizona taxable income.

**4. A statement as to whether the substantive policy statement is a new statement or a revision:**

This is a new statement.

**5. The name and address of the person to whom questions and comments about the substantive policy statement may be directed:**

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